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SENATE BILL 493

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Lynda M. Lovejoy

AN ACT

RELATING TO UTILITIES; ENACTING A NEW SECTION OF THE PUBLIC
REGULATION COMMISSION ACT; PROVIDING FOR THE REGULATION OF
PROPANE DEALERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Public Regulation
Commission Act is enacted to read:

"[NEW MATERIAL] PROPANE SALES--COMMISSION DUTIES.--The
commission shall adopt rules, no later than ninety days after
the effective date of this section, to regulate propane sales
that include requirements that:

A. a propane advisory committee be appointed that
shall include propane consumer representation equal to or
greater than the proportion of propane industry representation;

B. consumers shall be informed in writing by the

underscoring material = new
[bracketed material] = delete

1 propane dealership from whom the consumer is receiving goods
2 and services, as a component of monthly billing statements, of
3 the following:

4 (1) that the commission will receive and
5 review consumer complaints;

6 (2) that the consumer is obligated to attempt
7 remedy for complaints with the dealership against whom the
8 complaint is being filed;

9 (3) that the response time of the dealership
10 to the consumer complaint shall not exceed one billing cycle or
11 thirty days, whichever is less;

12 (4) contact information for the commission and
13 the proper process to pursue a complaint;

14 (5) the average pricing alterations and
15 variations applied to present and future billing cycles;

16 (6) price ranges to the customer base of the
17 given dealership;

18 (7) a short description defining the
19 justifications for the price variations;

20 (8) propane industry pricing averages in the
21 consumer's region of service;

22 (9) all price alterations that will have an
23 impact, including increases or decreases, on the consumer's
24 present or future billing cycle;

25 (10) justification for any pricing

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1 alterations, prior to changes or by special notification, if
2 changes will affect the current billing cycle;

3 (11) conversion formulas for a unit of
4 propane to gallons, cubic feet or thermal units;

5 (12) the dealership's participation in the low
6 income home energy assistance program;

7 (13) criteria for qualifying for the low
8 income home energy assistance program; and

9 (14) tank rental fee and any changes in that
10 fee;

11 C. propane dealerships shall notify consumers in
12 writing of a disconnection or discontinuation of services seven
13 working days prior to service termination;

14 D. the consumer has the right to change propane
15 dealerships, without financial or service-related penalties, if
16 the consumer is justly dissatisfied with either uncompetitive
17 or unclear pricing variation practices or the service provided
18 by the dealership;

19 E. individual dealership pricing, including special
20 service charges such as non-scheduled deliveries, must be
21 printed on a clearly posted form available in English and
22 Spanish in the propane dealer's office and on the interior and
23 exterior of the propane dealership, and, if the dealership is
24 aware of a consumer's status of disability, the form shall be
25 provided in an appropriate format to the needs of the consumer;

1 F. propane dealerships shall not charge additional
2 fees or penalties for any services provided during a state of
3 emergency such as severe weather;

4 G. during an emergency, propane dealerships shall
5 provide minimally necessary services to consumers of competitor
6 dealerships, if the competitor is unable to do so, and the
7 dealerships providing the emergency services shall not charge
8 penalties or service charges that exceed the price agreed to
9 pursuant to the competitor's existing consumer contract;

10 H. the consumer has the right to purchase and use
11 the consumer's own propane tank, in conjunction with all
12 propane dealerships, provided all federal, state and local
13 safety regulations are adhered to;

14 I. consumers may, in a case of service termination,
15 rent a tank from the dealership that is providing new services;

16 J. dealerships whose service agreements are
17 terminated shall recover proprietary tanks within thirty days
18 from the date of service termination, and the dealership shall
19 provide an estimated retrieval date for the tanks;

20 K. in the case of service termination, the consumer
21 has the right to be present when the dealership measures the
22 remaining volume;

23 L. propane dealerships receiving funding from the
24 low income home energy assistance program shall be subject to
25 the winter moratorium program;

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1 M. dealership employees or agents providing
2 services on proprietary consumer equipment and private property
3 shall be licensed pursuant to law;

4 N. upon service termination, the consumer shall
5 receive a refund from the terminated dealership for any unused
6 propane, and the refund shall be based upon the price of
7 propane and services agreed to during the billing cycle
8 immediately prior to the date of service termination and shall
9 be mailed to the consumer within fifteen days following tank
10 removal. If the tank is owned by the consumer, the refund
11 shall be mailed within fifteen days of service termination; and

12 O. propane dealerships shall register all prices
13 and price justifications with the commission."